EXHIBIT 2

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UNITED STATES DISTRICT COURT
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2
                  WESTERN DISTRICT OF WASHINGTON
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      Firs Home Owners Association,
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              Plaintiff,
                                             NO. 2:19-cv-01130
 6
              VS.
      City of SeaTac, a Municipal
 7
      Corporation,
 8
              Defendant.
 9
10
11
     REMOTE VIDEOCONFERENCE DEPOSITION UPON ORAL EXAMINATION
12
                                 OF
13
                         HELENA BENEDICT
14
15
                            July 24, 2020
                             10:00 a.m.
16
                         Seattle, Washington
17
18
19
              TAKEN AT THE INSTANCE OF THE DEFENDANT
20
21
22
                          CERTIFIED COPY
23
24
     REPORTED BY:
25
     PHYLLIS CRAVER LYKKEN, RPR, CCR NO. 2423
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- 1 at?
- A. If I'm recalling the right meeting, it was a
- 3 meeting between leaders of the Home Owner Association,
- 4 Dan Watson with the King County Housing Authority,
- 5 myself, and some other folks who were interested in
- 6 preserving the park and supporting the families, I think
- 7 just to talk about what options for preservation might
- 8 be, what it would look like, financially speaking, to
- 9 acquire the land, what kind of role the Housing
- 10 Authority could have.
- 11 Q. What's your recollection about the message from
- 12 Andrew Calkins at that meeting?
- 13 A. It was -- the message?
- 14 O. Yeah.
- 15 A. He shared information that was useful. At one
- 16 point they agreed, the Housing Authority agreed to pay
- 17 for a formal real estate appraisal that was more
- 18 extensive than this comparative analysis shown here,
- 19 which we appreciated.
- Q. Did he share this valuation analysis at the
- 21 meeting?
- A. I believe so.
- 23 Q. So you don't recall specifically?
- A. I don't, honestly. I presume he did.
- Q. The reason I'm asking, of course, is that, I



- 1 mean, the evaluation analysis puts the park's value at
- 2 over \$10 million. Would you agree with that?
- 3 A. Yes.
- Q. Was that, was that the first time, I guess, you
- 5 became aware that the park's value could be more than
- 6 \$10 million?
- 7 A. Oh, I don't recall. I don't think it was a
- 8 shock to any of us.
- 9 Q. Okay. Did you have any thoughts about that?
- 10 A. I quess it felt helpful to have a number to work
- 11 towards in terms of looking for resources and looking
- 12 for funding.
- Q. This is in February ---
- 14 A. Sorry. Go ahead.
- 15 Q. I'm sorry. Please finish your answer.
- 16 A. There is a sort of cruelty in that the owner
- 17 bought the park for half that and did nothing to it and
- 18 that the zoning change drove up the value in that way.
- 19 Q. This is in February of 2017. Do you recall if
- 20 at that time there was any discussions with the property
- 21 owner about selling the mobile home park?
- 22 A. I don't recall.
- Q. Did you share this email or the valuation
- 24 analysis attached to this email with any residents of
- 25 the Firs Mobile Home Park?



Helena Benedict 07/24/2020

March 15, 2017? 1 2 A. Yes. O. Okay. I have some questions. Why were you 3 meeting with Michael Blumson of Impact Capital? 4 A. He, we -- we were trying to talk to folks who 5 understood financing and he was --6 7 Q. What is Impact Capital or what was your understanding of what Impact Capital could offer? 8 A. Our understanding was they make sort mission-9 driven loans and get access to capital that could have 10 11 been potentially a source of money for the project or at 12 least help us wrap our heads around how it could be 13 done. 14 Q. I'm assuming you met with other people about financing issues other than just Michael Blumson; is 15 that accurate? 16 17 A. Yes. Q. Who are some other people you met with? 18 A. We met with people from the organization Craft3. 19 I honestly don't remember the names of the folks we met 20 with. I met with Dulcie Claassen of the Washington 21 22 Community Reinvestment Association. 23 Q. Uh-huh. A. There may have been more. Those are the folks I 24 25 can think of off the top of my head.

- 1 A. Yeah. Sorry. That's what I meant. Yes.
- Q. Okay. Thank you. So you had a chance to read
- 3 that attachment, right?
- 4 A. Yes.
- 5 Q. So the attachment references a \$6 million
- 6 proposal. Did you read that?
- 7 A. Yes.
- 8 Q. Yeah. There in kind of the second paragraph,
- 9 purchase price 6 million. Who came up with \$6 million
- 10 as a purchase price?
- 11 A. I believe it was Mr. Lippek, Hank Lippek,
- another attorney representing the families, based on the
- tax appraisal price of just under 5 million, I believe.
- Q. And that was, what, more than \$4 million less
- 15 than the King County Housing Authority valuation
- 16 acquisition analysis you had seen in, was it January or
- 17 February of 2017; is that right?
- A. Yes. But it was \$1 million more than he had
- 19 paid for it.
- Q. And so I kind of want to go up to the top here
- 21 of the email. If we can scroll up to the email. So I
- 22 read this email to say that this offer is being made in
- 23 the hope that Mr. Park will reject it. Is that kind of
- 24 what you're saying here?
- A. I would say it's less of a hope and more of a



- 1 sent on January 6, 2018? Do you see that?
- 2 A. Yes.
- Q. Is that also a true and correct copy of an email
- 4 you sent?
- 5 A. Yes.
- Q. So you're referencing getting some "concrete
- 7 commitments from the City." What type of concrete
- 8 commitments were you looking for the City?
- 9 A. Land or funding.
- 10 Q. Can you be more specific?
- 11 A. If they were not going to stop the redevelopment
- and displacement of the community, we wanted land to
- 13 build a replacement community or funding to help the
- 14 Home Owners Association purchase a property where they
- 15 could rebuild.
- Q. Was it your, I guess, idea that the City would
- 17 donate land?
- 18 A. Potentially.
- 19 Q. Okay. And -- okay. And was this, were any of
- 20 these requests formally submitted to the City?
- 21 A. I'm not sure.
- MR. PLANT: Okay. I'm going to move on
- 23 to Exhibit No. 12.
- Q. Ms. Benedict, is this a true and correct copy of
- an email you received from Henry Lippek on January 24,



- 1 2018?
- A. Yes.
- Q. Okay. Go ahead and please read the email. Let
- 4 me know when you're done.
- 5 A. Could we scroll down, please? Thank you. I've
- 6 read it.
- 7 Q. So I read this email to indicate that as of
- 8 January 2018, the Firs Mobile Home Park residents had
- 9 received no firm commitments of financing or loans or
- 10 grants to purchase the Firs Mobile Home Park. Is that
- 11 your understanding of this email from Mr. Lippek?
- 12 A. Yes, I think that's fair.
- Q. Okay. Is that also a true statement, to the
- 14 best of your knowledge?
- 15 A. Yes.
- 16 Q. Okay. Thank you.
- 17 MR. PLANT: I want to go to Exhibit No. 13.
- 18 Q. Go ahead and read this email, Ms. Benedict.
- 19 A. Thank you. I've read it.
- Q. Is this a true and correct copy of an email you
- 21 received from Henry Lippek dated February 13, 2018?
- 22 A. Yes.
- Q. Okay. And what did you understand this email to
- 24 communicate?
- 25 A. That Mr. Park was not interested in selling the



- 1 property.
- 2 O. So that had been, correct me if I'm wrong, but
- 3 that had been a very consistent position of Mr. Park
- for, I mean, since, this is February 2018, since at
- 5 least, if not before, the middle of 2017; is that
- 6 accurate?
- 7 A. Yes.
- Q. In fact, had Mr. Park ever indicated he was
- 9 willing to sell the Firs Mobile Home Park property?
- 10 A. I don't believe so.
- 11 Q. Okay.
- 12 A. He might have indicated to a reporter once that
- 13 they couldn't afford it.
- Q. Okay. But, sure.
- 15 MR. PLANT: Can we go to Exhibit No. 14? There
- 16 we go.
- 17 Q. Ms. Benedict, go ahead and read this email.
- 18 A. Can you scroll down, please? Thank you. Okay.
- 19 Thanks. I've read it.
- Q. If we go to the top, Ms. Benedict, is this a
- 21 true and correct copy of an email that you received from
- 22 Amy Tower on February 23, 2018?
- 23 A. Yes.
- Q. Yeah. And you understand that in this email Amy
- 25 is sending you a copy of an appraisal report done by the



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1
                       CERTIFICATE
2
    STATE OF WASHINGTON )
                            SS.
    COUNTY OF YAKIMA
3
                         )
4
5
          This is to certify that I, Phyllis Craver Lykken,
6
     Certified Court Reporter in and for the State of
7
     Washington, residing at Yakima, reported the within and
8
     foregoing deposition; said deposition being taken
9
     remotely before me on the date herein set forth; that
10
     pursuant to RCW 5.28.010 the witness was first by me
     duly sworn; that said examination was taken by me in
11
12
     shorthand and thereafter under my supervision
13
     transcribed, and that same is a full, true and correct
     record of the testimony of said witness, including all
14
15
     questions, answers and objections, if any, of counsel.
16
          I further certify that I am not a relative or
17
     employee or attorney or counsel of any of the parties,
18
     nor am I financially interested in the outcome of the
19
     cause.
20
          IN WITNESS WHEREOF I have set my hand this 4th
21
     day of August, 2020.
22
23
                   PHYLLIS CRAVER LYKKEN, RPR,
24
                   CCR NO. 2423
25
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EXHIBIT 12



From:

Henry Lippek

To:

helenabletenantsunion.org: Vicente Omar Barraza: ishbeldickens@outlook.com: slippek@neomallbox.ch

Subject:

Re: Firs purchase offer

Date:

About 1971 4

Wednesday, January 24, 2018 3:11:07 PM

My takeaway from yesterday's meeting arranged by Rep Mia Gregerson and Daniel Lugo (Helena and Isbel, very good job yesterday in laying out the problem):

No one wants to be the first to commit to providing the Firs HOA a bridge loan or permanent financing to purchase the land underlying the Firs Mobile Home Park until a city, port, union, tribe, authority or other investor has made a commitment.

It is difficult to calculate the total package required until we know what the Firs MHP land acquisition price will be (for estimation purposes \$6,000,000 is a substantial premium above the current \$4.14m assessed value. The assessed value is low *because* it is a mobile home park with no lawful closing date in sight. If the property were vacant, a developer could offer \$10m if proposing a large high-rise commercial or residential development. Mr. Park has told some residents he is not interested in money, but in principle--he owns the land and he should be able to use it in any lawful way he wishes. Since the Relocation Plan is not implemented (requiring relocating all Firs homeowners and residents to new acceptable dwellings, it cannot be lawfully closed. We would be foolish to offer a \$4m additional premium when the cost of an eminent domain proceeding would unlikely exceed \$100,000.

We need to calculate the down payment required--to be provided by a combination of grants, contributions by SeaTac, Port of Seattle, King County Housing Authority, unions and others, and contributions of money and sweat equity by Firs homeowners--to assure that monthly mortgage payments by Firs homeowners do not exceed about \$500 over 15 years, the typical amount they now pay to Mr. Park to lease their respective Firs spaces.

Because this is a short 60-day legislative session, for Firs HOA to obtain a bridge loan through a budget note will require bipartisan support among the House and Senate leadership and relevant committee chairs and minority leaders, which is unlikely to happen unless a sizable bipartisan group become cosponsors of SB 5520/HB1514.

Helena, Isbel and Omar can provide information and solicit support from King, Pierce and Snohomish County Democrats. I think I may be able to get some conservative Democratic and moderate Republican cosponsors and the first \$1m in commitments-perhaps from SeaTac, KC Housing Authority or the Catholic Church's homeless programs--and follow up with the Washington State Housing Finance Commission.

Hank

The Public Advoc ATe NPPSC 1001 Fourth Avenue, Suite 4400 Seattle, WA 98154

T: 206 389-1652 | F: 206 826-1304 | E: lippek@aol.com

----Original Message----

From: Helena Benedict <helenab@tenantsunion.org>

To: Vicente Omar Barraza <omar@barrazalaw.com>; Henry Lippek <lippek@aol.com>

Sent: Wed, Jan 24, 2018 1:02 pm Subject: Firs purchase offer

Omar and Hank,

Would either of you able to clarify briefly where we are with making the \$6 million offer to Mr. Park? The HOA directors would like to be able to clarify to the Association. Mr. Cruz might be in touch directly as well.

11 10 12 II

Thanks so much,

· Helena

From:

Henry Lippak

To: Subject: <u>Vicante Omer Barraza</u>: <u>helenabs@tenant.amion.org</u>
Firs HOA sample loan amortization tables

Date:

Thursday, January 25, 2016 10:57:04 AM

Attachments:

Loan Amortization Tables.docx

Attached is a quick initial sample of loan amortization rates that shows sensitivity to loan amount, interest rates and number of participating Firs homeowners.

These numbers do not include points, fees, closing costs or taxes, which can easily be 5% or \$300,000 or so for a \$6,000,000 loan.

This initial look suggests that \$1,500,000 needs to be raised for a 20% down payment and closing costs—an amount achievable with effort, networking and luck.

Hank

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